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BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

EXPERIMENTAL RATE AND SERVICE CHANGES TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT WITH CAPITAL ONE SERVICES, INC.

Docket No. MC2002-2

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS WILSON TO INTERROGATORIES OF NEWSPAPER ASSOCIATION OF AMERICA (NAA/USPS-T4-1-10)

The United States Postal Service hereby provides the responses of witness Wilson to the following interrogatories of Newspaper Association of America: NAA/USPS-T4-1-10, filed on October 25, 2002.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Nan K. McKenzie

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NAA/USPS-T4-1: Please refer to Page 6, lines 1 through 8, of your testimony and USPS Publications "Address Change Service" (pages 6-7). By what technology (e.g., email, discs, accessible databases) will electronic ECS notifications be provided to Capital One under the NSA?

RESPONSE:

The media options presently available for ACS fulfillment are cartridge tape,
CDROM disc, diskette, paper reports, or via electronic file transfer. Capital One
has not yet advised the Postal Service of their choice of fulfillment media.

NAA/USPS-T4-2: Please refer to Page 7, line 4, of your testimony, where you provide your estimate that, in FY2003, "85 percent of mail bearing an ACS endorsement, including the CSR, Option 2 endorsement, will receive electronic notification." Please confirm that your statement applies only to UAA mail.

RESPONSE:

Confirmed. The statement was meant to apply only to UAA mail.

NAA/USPS-T4-3: Under the NSA, will electronic notification be provided to Capital One in all instances of UAA other than the types of circumstances summarized at Page 6, lines 12-25, of your testimony?

RESPONSE:

Assuming correct handling of the UAA mailpiece by Postal Service personnel and, assuming the mailpiece bears proper ACS markings, Capital One will receive all possible notices via ACS, with the exception of those notices for UAA mailpieces that are not handled within the ACS program. The following reasons for non-delivery define where the UAA-mailpiece is physically returned to the mailer:

Deceased
Delivery Suspended to Commercial Mail Receiving Agency
No Such Office in State
Outside Delivery Limits
Returned for Better Address
Returned for Postage
Returned to Sender Due to Addressee's Violation of Postal False
Representation Law

Returned to Sender Due To Addressee's Violation of Postal Lottery Law Undeliverable as Addressed, Missing PMB or # Sign

NAA/USPS-T4-4: Do you have any reason to believe that, in Fiscal Year 2003, the percentage of Capital One First-Class solicitation mail that bears an ACS endorsement and that receives electronic notification will be other than 85 percent? If you believe that the percentage will be other than 85 percent, please provide the basis for that belief.

RESPONSE:

My estimate of 85 percent remains my projection of the volume of UAA notices in

FY 2003 that will be provided electronically via the ACS program.

NAA/USPS-T4-5: Please confirm that Capital One First-Class solicitation mail that is returned to Capital One under the proposed NSA will receive processing above the level of processing they would receive without the ACS endorsement (for example, the manual application by the carrier of "Deceased" when the recipient is deceased). If you do not confirm, please explain.

RESPONSE:

Not confirmed. The level of manual processing for pieces returned to Capital One will be the same as that provided to all mailers regardless of their participation in the ACS program.

NAA/USPS-T4-6: If your answer to NAA/USPS-T4-4 is confirmed, please estimate the percent of Capital One's FY200S First-Class solicitation mail that will receive this additional level of processing.

RESPONSE:

See response to NAA/USPS-T4-5.

NAA/USPS-T4-7: Please confirm that Capital One First-Class solicitation mail that is forwarded currently, as a feature of First-Class service, will continue to be forwarded under the terms of the NSA. If you cannot confirm, please explain why not.

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Confirmed.

NAA/USPS-T4-8: If you confirm NAA/USPS-T4-6, please confirm that this forwarded mail:

- a. Does not currently receive ACS; and
- b. Will receive electronic ACS under the terms of the NSA. If you cannot confirm (a) or (b), please explain why not.

RESPONSE:

The reference to NAA/USPS-T4-6 appears to be in error. Assuming the intended reference is to NAA/USPS-T4-7, my response is:

- a.) Confirmed. Capital One does not currently participate in the ACS program for First-Class Mail and is not currently receiving ACS notifications.
- b.) Confirmed, assuming Capital One utilizes the ACS participant code and service endorsement established for use under the terms of the NSA agreement as part of the mailpiece.

NAA/USPS-T4-9: Please refer to your response to OCA/USPS-T4-6. Please describe the circumstances in which First-Class Mail would be either returned or forwarded through the Computerized Forwarding System, and the circumstances in which forwarded or returned First-Class Mail would <u>not</u> use the Computerized Forwarding System.

RESPONSE:

Assuming correct handling of UAA mailpieces by Postal Service personnel and the presence of proper ACS markings on the UAA mailpiece, then forwarding or return processing would occur via the Computerized Forwarding System unit. If handling of the UAA mailpiece fails to follow published policy, then forwarding or return processing might not occur through the Computerized Forwarding System unit. If forwarding or return processing is performed via the Postal Automation Redirection System (PARS) program then the CFS unit will not be involved. PARS will begin deployment in July 2003.

NAA/USPS-T4-10: Do you expect that Capital One mail under the NSA would be returned or forwarded through the Computerized Forwarding System?

RESPONSE:

Yes, to the extent described in the answer to NAA/USPS-T4-9.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Nan K. McKenzie

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 November 5, 2002